

Mills incurs Tk 4 cr loss for first time

KPM faces closure for shortage of raw materials

From Staff Correspondent

RANGAMATI, July 24: The Karnafuli Paper Mills Ltd (KPM), an enterprise of Bangladesh Chemical Industries Corporation (BCIC) has incurred a loss of about Taka four crore during the financial year.

supply to UNICEF, the sources claimed adding that the KPM had a contract to supply a quantity of seven thousand tonnes of paper to UNICEF at a lower price than the market rate.

Sylhet and abroad has been increased, which has compelled the management to count the loss, he added.

Meanwhile, the operation of KPM is going to be suspended due to acute shortage of raw materials. The raw materials supplied at present by a very small number of suppliers can hardly meet the 25 per cent requirement of the factory's usual consumption.

Farmers get Tk 4.91 cr loan in Patuakhali

PATUAHALI, July 24: Bangladesh Krishi Bank has disbursed Taka 4.91 crore as loan among the farmers through 23 branches of Barisal region during the last financial year, reports UNB.

Official sources said the target of loan disbursement was Taka 6.49 crore during the period.

The bank realised outstanding loan of over Taka 3.93 crore from the farmers. They recovery target was at Taka 6.25 crore.

According to bank source, the BKB was also able to collect deposits amounting to Taka 11.89 crore against the target of 2.90 crore in the region during the last financial year.

50 BSCIC units in N-districts closed down

RAJSHAHI, July 24: More than 50 industrial units in eight northern BSCIC estates had closed down during the last five years, reports UNB.

Shortage of funds, misuse of loan, frequent loadshedding, transportation problems and marketing crisis are the main reasons behind the closure of the industrial units in the region.

According to official sources, there are 1525 plots out of which 1139 plots had been developed in eight BSCIC estates. Of the total approved 520 industrial units, 264 units are now in running condition and 50 units have stopped production.

DESA blinds 4 govt, autonomous buildings

In its bid to realise arrears bill, DESA (Dhaka Electric Supply Authority) has snapped electricity connections to some government buildings and public sector agencies during the last two days, reports UNB.

The Authority disconnected electricity lines at the Shilpa Bhawan, Nabarun Jute Mills of BJMC at Oorashal, BRTC bus depot at Motijheel and the government employees' hostel at Hotel Elysium.

69,585 tonnes of wheat allocated for test relief

A quantity of 69,585.75 tonnes of wheat was allocated for the country in the last fiscal year (1991-92) under the test relief programme, State Minister for Relief Lutfar Rahman Khan told the Jatiya Sangsad Thursday, reports BSS.

Replying to a question from Tabbar Rahman Sardar (AL-Jessore), the State Minister said 16,503.75 tonnes of wheat were allocated in Dhaka division under the test relief programme, 9,799.50 tonnes for Chittagong division, 39,231.00 tonnes for Rajshahi division

Around The Bazaars Fish supply short, price high in city markets

By Staff Correspondent

Continued low supply of fishes in the city markets has kept their prices high.

The highest price hike in a week was noted in pangash fish. A week ago its price was 140 taka per kg. Presently it is 180 taka per kg.

Wholesellers say, "Fishermen were not able to catch sufficient numbers of pangash for over a week". One fishmonger said yesterday (Friday), "It seems our rivers are not breeding much of pangash now-a-days."

The price of hilsa remained the same as the last week but still expensive. A hilsa of a good size costs 130 taka, while the medium ones costs 60 to 70 taka and the small ones taka 35.

The prices of katla also made a hike from Taka 100 per kg to Taka 140. Meanwhile, the prices of beef, mutton and chicken made small changes in the last one week.

The price of mutton is Taka 80 per kg, beef Taka 55 per kg and the 60 taka chicken remains the same in the price scale.

The fruit market also marked rise of price. The prices of mango and jackfruits, the country's production, is going up swiftly as the fruits' season is nearing the end.

"You won't get Bangladeshi mangoes after 15 to 20 days", one fruit vendor said. "The price of fazi mango which is now 40 to 45 taka per kg will rise to 50 to 55 taka in a week." But, he said the Indian mangoes would keep coming to the markets for two more months. The Indian lengra presently costs 60 taka per kg.

"The price of jackfruit has been relatively high this year," another vendor said, "The villages are asking for a higher price and even till now I think vendors could not bring a good supply of jackfruits from the villages."

Massive fish cultivation plan in Natore

RAJSHAHI, July 24: Two hundred metric tons of fish fries will be released in phases in Haldi Beel covering an area of 27,700 acres of land in Natore district under Third Fisheries Project, according to an official press release on Saturday, reports BSS.

With the financial and technical assistance of World Bank, 500 metric tons of fish fries will be released in open water bodies in the country under the project. The Fisheries Department will implement the project.

Joint Secretary, Fisheries and Livestocks Ministry Abdul Matin Molla inaugurated the programme at a function releasing four tons of fish fries at Sherkol in Haldi Beel of Natore. About 800 tons of fish is expected to be produced in the beel after successful implementation of the project.

The function was attended by Deputy Commissioner of Natore, project officials, officers of Fisheries Department and local people.

The fishermen were urged to abide by fishing rule by not fishing below nine inches of fishes to boost fish production in the country.

Views on budget Highest foreign exchange earner garment sector hard-hit

By A J S M Khaled

Bangladesh is generally known in the external world for its endless misery, sharpest poverty and devastating natural calamities like floods, tidal surge and other catastrophes.

The only thing that brings Bangladesh a worthy reputation is its ready-to-wear garments that are now available at every nook and corner of the world. With the new budget, perhaps, the 'golden days' are over for garment sector.

The budget will hurt most of the industries of the country including the garment industries. After the collapse of jute sector the garment sector showed spectacular growth in the country during the whole of the last decade. Current export value of garment products account for about Tk 40 billion per annum with employment opportunity to a 5 to 6 lakh, 85% per cent of whom are women.

This astounding success has been achieved despite political instability, anarchic law and order situation, continual labour unrest, treacherous hartals and lack of local raw materials.

The success of garment sector is so spectacular that among the nations of South Asia, Bangladesh leads in garment export both in quantity and value. Both India and Pakistan lags behind Bangladesh in this sector in spite of their good textile base and long industrial heritage.

But the current budget has, perhaps, blown the final death bell on this sector by slapping on it the so-called source tax and mandatory pre-shipment inspection clause along with 50 per cent income tax.

The impact of the budgetary restrictions on non-quota average scale garment factory is given below:

The table cost structure shows as 17 per cent increase in expenditure only due to the imposition of source tax and pre-shipment inspection clause and due to effect thereof. One should appreciate that mandatory pre-shipment inspection condition will lead to sharp rise in raw material cost because in bearing the brunt of pre-shipment inspection the supplier must run high cost godown and run into other miscellaneous cost.

The price escalation of raw material may be as high as 5 per cent though in Table 1 a one per cent increase has been considered. Even with a one per cent increase in raw material cost the Table 1 clearly shows that an average scale factory which ran profitably in 1991-92 will simply go bankrupt in the next budget year.

The budget planners seem not to understand that foreign buyers are in no obligation to

Table: Comparative Cost Structure of Garment Production and Effect of Current Budget thereon. Annual Production and Export: 36,000 DZ. Type and Scale of Factory: Non-Quota and Average Scale.

place orders to Bangladeshi factories having their hands tied by government restrictions. This is more relevant for non-quota factories. While our neighbouring countries like India, Pakistan, China, Vietnam, Thailand and Indonesia are liberalising their fiscal policies in favour of more export, more production and offering revolutionary export incentives, our policy planners are slamming the door shut. As most of the raw materials are imported from abroad, incubation gestation period for garment production is traditionally long in Bangladesh. Pre-shipment inspection clause will complicate the matter further in addition to substantially increase expenditure

(Concludes)

Shipping Intelligence

CHITTAGONG PORT

Berthing position and performance of vessels as on 23.07.92

Table: Shipping Intelligence - Berthing position and performance of vessels as on 23.07.92. Columns: Berth No, Name of Vessels, Cargo, L Port Call, Local Agent, Date of Arrival, Date of Depart.

VESSELS DUE AT OUTER ANCHORAGE

Table: VESSELS DUE AT OUTER ANCHORAGE. Columns: Name of Vessels, Date of Arrival, L Port Call, Local Agent, Cargo, Loading.

TANKER DUE

Table: TANKER DUE. Columns: Name, Date of Arrival, L Port Call, Local Agent, Cargo.

VESSELS AT KUTUBDIA

Table: VESSELS AT KUTUBDIA. Columns: Name of Vessels, Cargo, L Port Call, Local Agent, Date of Arrival.

VESSELS READY AT OUTER ANCHORAGE

Table: VESSELS READY AT OUTER ANCHORAGE. Columns: Name of Vessels, Cargo, L Port Call, Local Agent, Date of Arrival.

VESSELS NOT READY

Table: VESSELS NOT READY. Columns: Name, Date of Arrival, L Port Call, Local Agent, Cargo.

VESSELS AWAITING FOR INSTRUCTION

Table: VESSELS AWAITING FOR INSTRUCTION. Columns: Name, Date of Arrival, L Port Call, Local Agent, Cargo.

VESSELS NOT ENTERING

Table: VESSELS NOT ENTERING. Columns: Name, Cargo, L Port Call, Local Agent, Date of Arrival.

The above were the Thursday's (23.7.92) shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

Price Index

July 23

Table: Price Index - July 23. Columns: Essentials, Fruits, Hides & Silver, Gold & Silver.

Exchange Rates

Table: Exchange Rates. Columns: Currency, Selling B.C., T. T., Buying O.D. Transf.

Dhaka Stock Prices

Weekly comparison : At the close of tradings on July 16 and July 23, 1992

Table: Dhaka Stock Prices - Weekly comparison. Columns: Company, FV/ML, July 16, July 23, High, Low.